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RECORDATION NO. 23241-6 FILED
MAR 08 02 4-09 PM
SURFACE TRANSPORTATION BOARD
OF COUNSEL
URBAN A. LESTER

March 8, 2002

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Lease, dated as of October 16, 2001, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to those previously filed with the Board under Recordation Number 23241.

The names and addresses of the parties to the enclosed document are:

Lessor: Railcar Asset Financing Trust
c/o Wilmington Trust Company, as Trustee
Rodney Square North
1100 North Market Street
Wilmington, Delaware 19890

Lessee: Peoria and Pekin Union Railway Company
301 Wesley Road
Creve Coeur, Illinois 61610

A description of the railroad equipment covered by the enclosed document is:

Twenty (20) gondola railcars: PPU 6024 – PPU 6043 inclusive.

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Mr. Vernon A. Williams
March 8, 2002
Page Two

A short summary of the document to appear in the index is:

Memorandum of Lease.

Also enclosed is a check in the amount of \$28.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'R. Alvord', written in a cursive style.

Robert W. Alvord

RWA/anm
Enclosures

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MEMORANDUM OF LEASE

SURFACE TRANSPORTATION BOARD

1. Pursuant to the Lease Agreement identified below, Railcar Asset Financing Trust, a Delaware statutory trust ("Lessor"), as lessor, has leased to Peoria and Pekin Union Railway Company ("Lessee"), as lessee, the following railroad cars ("the Cars"): twenty (20) 100-ton, 2245cu. ft. gondolas bearing the reporting marks and numbers PPU 6024-6043 inclusive. Said lease of the Cars is referred to hereinafter as the "Lease." "Lease Agreement" means the Lease Contract #ITG-ITG-1643-5/88 dated May 13, 1988, and the related Rider No. 13 dated January 12, 1999, between ITG, Inc., as Lessor, and Peoria and Pekin Union Railway Company, as Lessee, as the original parties, as amended by the Amendment dated September 24, 2001 between Lessor and Lessee.

2. The addresses of the parties are as follows:

Railcar Asset Financing Trust (Lessor)
c/o Wilmington Trust Company, as Trustee
Rodney Square North
1100 North Market Street
Wilmington, Delaware 19890-001
Attention: Corporate Trust Administration

Peoria and Pekin Union Railway Company (Lessee)
301 Wesley Road
Creve Coeur, Illinois 61610

3. The terms and provisions of the Lease are more particularly set forth in the Lease Agreement.

4. The parties intend the Lease and the transactions contemplated thereby to create a true lease for security purposes. If it should nonetheless be determined that the transaction is a sale, then Lessee shall be deemed to have granted Lessor a security interest in the Cars (to secure the full payment and performance of all of Lessee's obligations under the Lease), and Lessor shall be entitled to all rights and remedies of a secured party under all applicable laws.

5. This Memorandum may be signed in counterpart or duplicate copies, and any signed counterpart or duplicate copy shall be equivalent to a signed original for all purposes.

[Execution on next page; remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum to be executed as of October 16, 2001.

RAILCAR ASSET FINANCING TRUST

By Wilmington Trust Company solely in its capacity as Trustee

By: [Signature]

Name: _____

Title: David A. Vanasky, Jr.
Vice President

State of Delaware, County of New Castle

On October 16, 2001, before me personally appeared David A. Vanasky, Jr., to me personally known, who being by me duly sworn says that he is Vice President of Wilmington Trust Company, a Delaware banking corporation, the Trustee of Railcar Asset Financing Trust, and that he executed the foregoing instrument on behalf of said corporation by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[Signature]
Notary Public

My commission expires: June 28, 2003

[NOTARIAL SEAL]

[Execution continued on next page; remainder of this page intentionally left blank]

PEORIA & PEKIN UNION RAILWAY COMPANY

By: Paul D Feltenstein

Name: PAUL D FELTENSTEIN

Title: PRESIDENT

State of Illinois, County of Tazewell

On Feb. 20, 2002, before me personally appeared Paul D. Feltenstein, to me personally known, who being by me duly sworn says that he is President of Peoria & Pekin Union Ry Co, and that he executed the foregoing instrument on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Catherine B. Ripper

Notary Public

My commission expires:

[NOTARIAL SEAL]

OFFICIAL SEAL
Catherine B. Ripper
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 9-20-2004